

DFAS Finance Conference 2000

Electronic Commerce

Electronic Data Interchange

Renaissance Cleveland Hotel

Tower City Center

Cleveland, Ohio

March 28-30, 2000

Presenter: Ed Wilkie

Electronic Commerce (EC)

- **PAPERLESS exchange of business information using:**
 - **Electronic Data Interchange (EDI)**
 - **Electronic mail (E-Mail)**
 - **Computer bulletin boards**
 - **FAX**
 - **Electronic funds transfers (EFTs)**
 - **Other similar technologies**

Electronic Data Interchange (EDI)

- **Computer-to-computer exchange of business information using a public standard**
- **Allows businesses to exchange information**
 - faster
 - cheaper, and
 - more accurately than is possible with paperbased systems

How does EDI work?

- **Electronic equivalents of common business documents are transmitted electronically between trading partners**
- **Documents are given standard electronic formats and numbers**
 - **810 Invoice**
 - **850 Purchase Order**
 - **997 Functional Acknowledgement**

DFAS Cleveland EC Initiatives



- **Purchase Card**
- **PowerTrack**
- **Wide Area WorkFlow (WAWF)**
- **Web Invoicing System (WInS)**
- **Electronic Certification System (ECS)**
- **Office of Naval Research Grants**
- **850s**

Purchase Card Overview

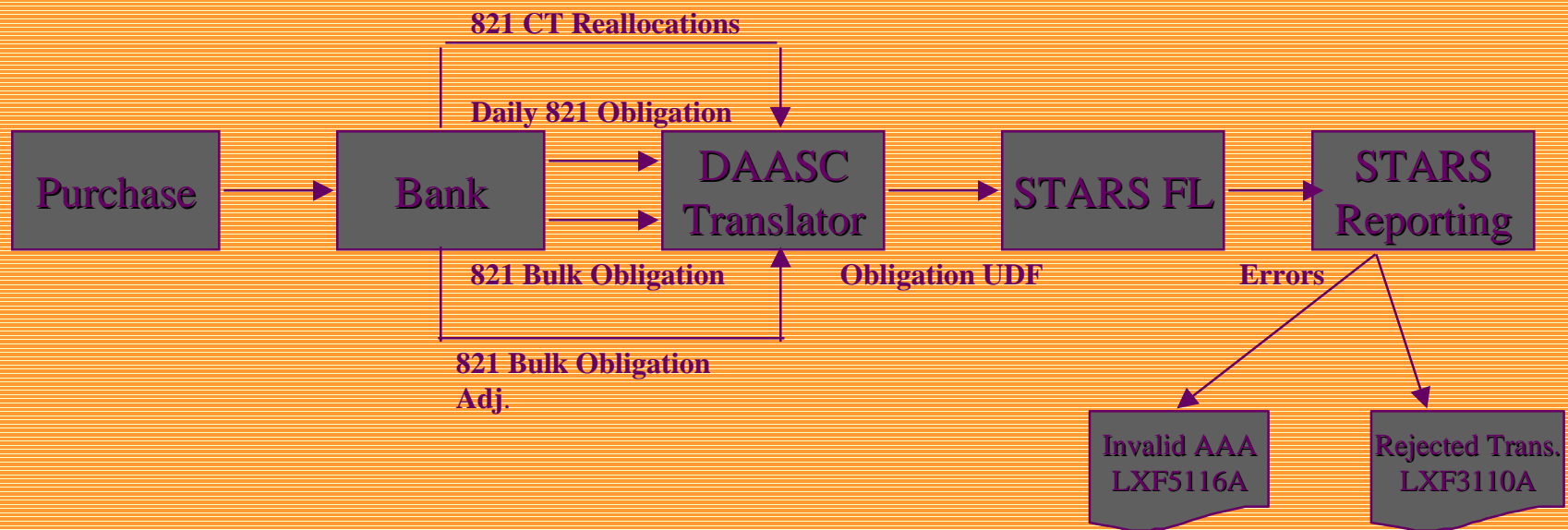


- **How the Process Works**
 - Obligation
 - Invoicing
- **Pilot Project**
- **Implementation**
- **In Summary**

How the Process Works - Obligations

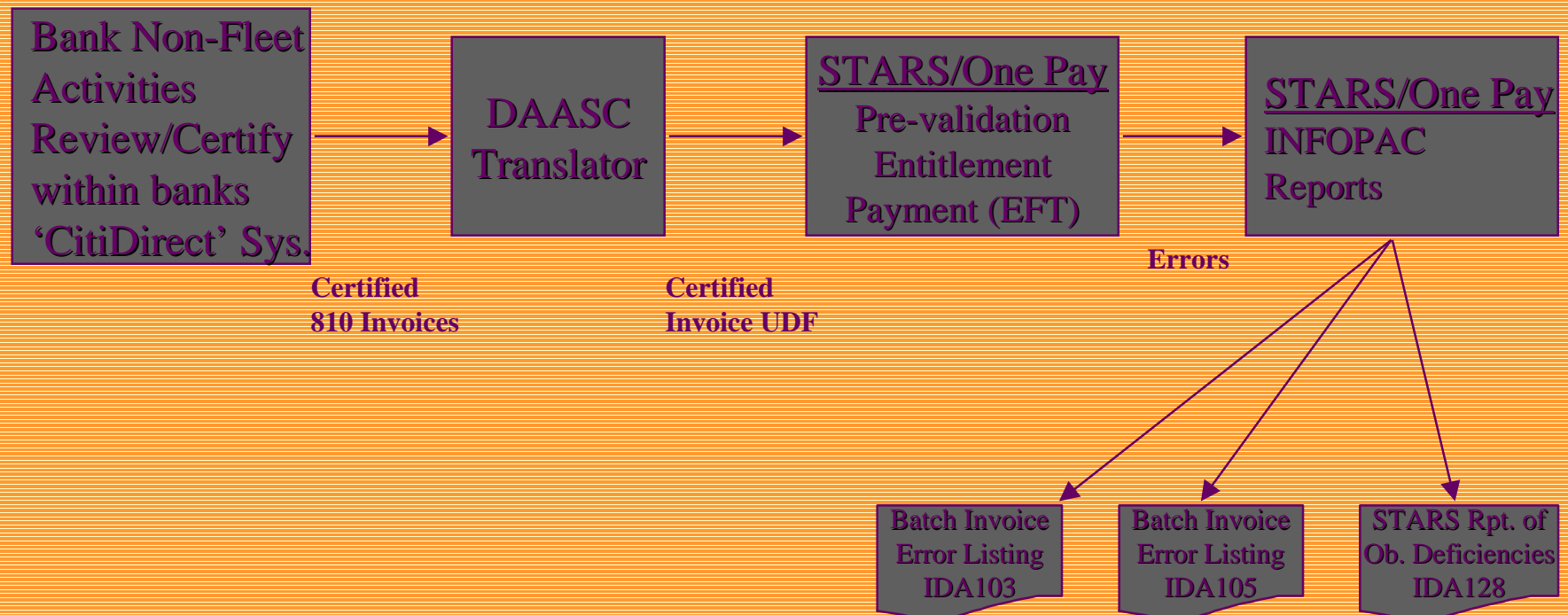
Fleet Activities obligate manually in STARS

Non-Fleet Activities

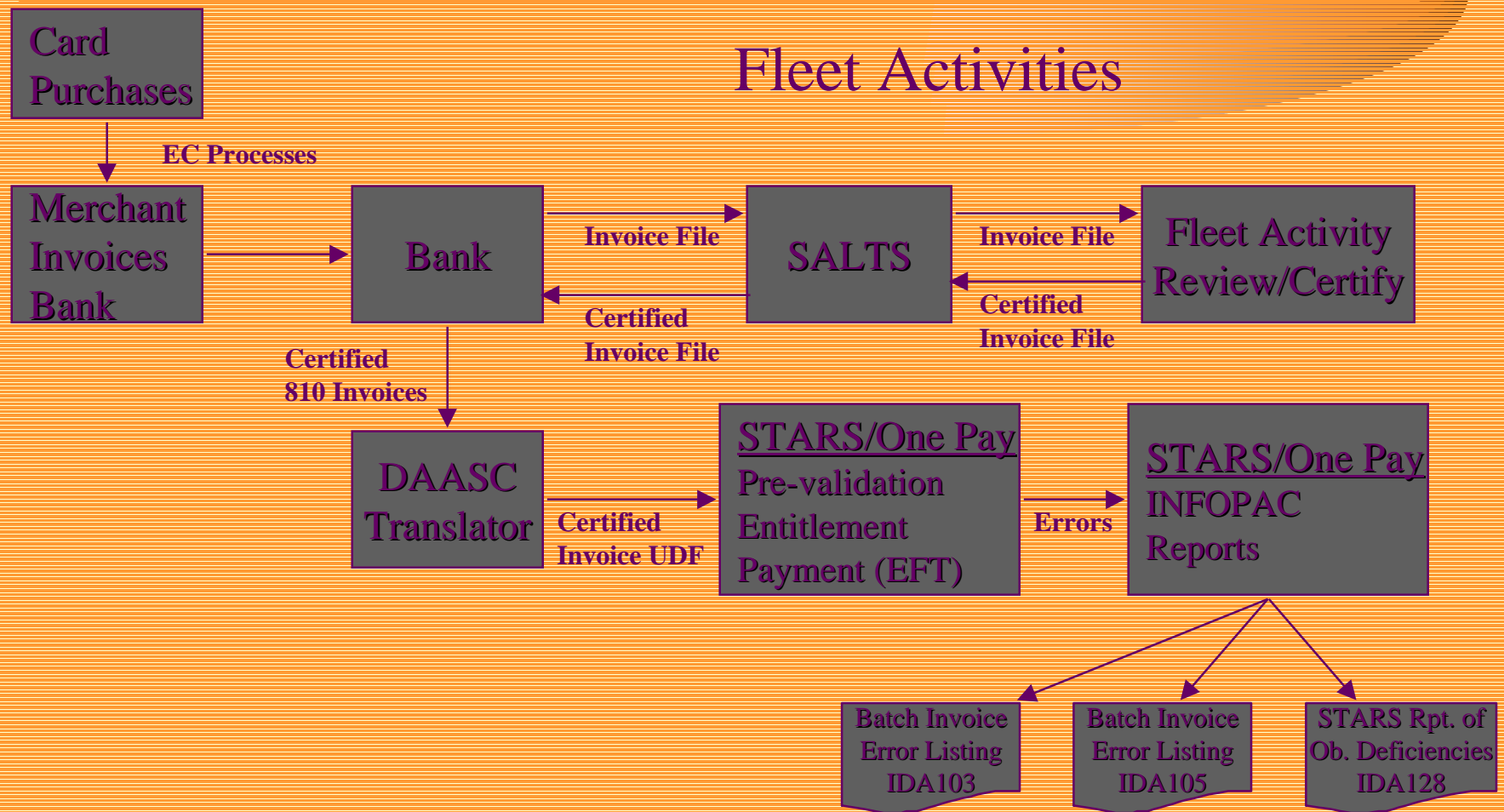


How the Process Works - Invoicing

Non-Fleet Activities



How the Process Works - Invoicing



Purchase Card Pilot Project

- **DoD Activities**
 - 613 Fleet Activities
 - 80+ Non-Fleet Activities
- **Transactions for 1999**
 - « 4,564 Invoices
 - « 6,715 Cited LOA's
- **Transactions for CY 2000**
 - « 1,174 Invoices
 - « 5,831 Cited LOA's

Purchase Card Implementation

- **Implementation Schedule**
 - Navy Training Schedule
 - Six Groups, completion 6/8/00
 - Turn Off Paper 4/24/00 - 8/22/00

Purchase Card Summary

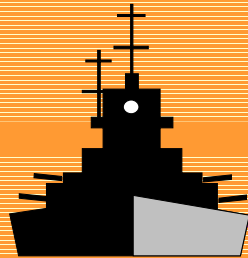
- **Proven Automated Process**
 - Hands off recording of Obligations and payment of Invoices
 - Obligations posted the same day
 - Payment in 3 Days
 - Eliminate Interest Charges
 - Maximize Rebates

PowerTrack

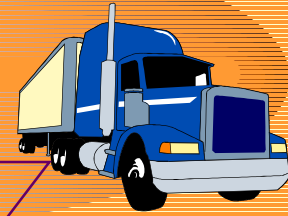


- **Transportation Invoices**
- **Similar to Purchase Card**
 - Obligations (821's)
 - Invoices (810's)
- **Intra DoD Transactions**
 - 821's and 810's
- **Settlement through DFAS Omaha**
 - 810's to OPLOC

PowerTrack



SHIPMENT



EDI X12

ELECTRONIC OBLIGATION


ELECTRONIC BILLING

ELECTRONIC CERTIFICATION

ELECTRONIC PAYMENT



Wide Area WorkFlow (WAWF)



- **Web based process**
- **Invoice and DD 250**
 - created on-line
 - stored in a virtual folder
- **PKI Electronic Signature**

Web Invoicing System (WInS)

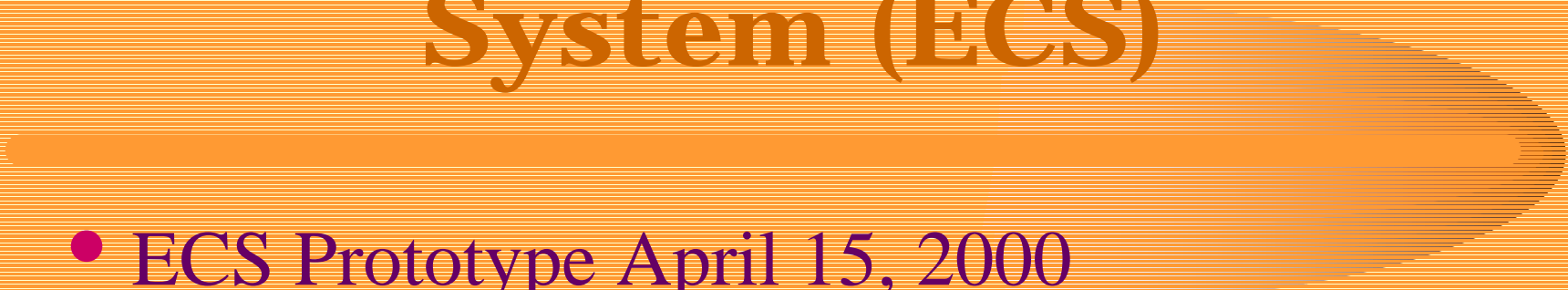
- **Vendors Submit Invoices Electronically**
 - Individual
 - Batch
- **Electronic Certification**
 - Commercial Invoice Certification (CommIC)
 - ECS

Web Invoicing System (WInS)



- **Vendors**
 - 50 testing
 - 2 production
- **Future uses**
 - Medical Personal Service Contracts
 - Airline Tickets CBA's
- **For more details, visit:**
<https://ecweb.dfas.mil/notes>

Electronic Certification System (ECS)



- ECS Prototype April 15, 2000
 - Public Vouchers
- Prototype Vendors
 - Raytheon Aerospace
 - Northrop Grumman
- Electronic Signatures with PKI Certificates

ONR Grants

- **Payment of University Research Grants**
- **Grants 6.0**
- **Prototype March 31, 1999**
- **University Status**
 - 56 completed testing
 - 2 waiting to test
 - 3 new schools

Purchase Orders (850s)



- **ITIMP**
- **SPS**
- **ONR**
- **BUMED**

Conclusion

- **Electronic commerce is here to stay.**
 - faster
 - cheaper, and
 - more accurate means to transmit information
- **Learn more about EC**
 - <http://www.acq.osd.mil/ec/>
 - <http://www.ecrc.org/ecrcs.html/>

DFAS Cleveland Electronic Business Division

POCs: **Ed Wilkie, Director**
edward.wilkie@dfas.mil
(216) 522-6866 x2006

Christine Milczewski, Project Leader
christine.milczewski@dfas.mil
(216) 522-6089 x2052

Paul Petras, Project Leader
paul.petras@dfas.mil
(216) 522-6089 x2049

DSN: 580

FAX: (216) 522-5805